

## **CORRECTED FISCAL NOTE**

### **SB 1011 - HB 1777**

March 23, 2001

**SUMMARY OF BILL:** Redirects fuel tax revenues collected from the sale of gasoline by marinas to the Tennessee Wildlife Resources Agency. Authorizes the TWRA to allocate the redirected revenue as follows: 1% for administrative costs, 10% to the TWRA Boating and Safety Fund, and 89% shall be used to establish a grant program for marinas to promote and improve boating access and facilities along Tennessee waterways.

#### **ESTIMATED FISCAL IMPACT:**

On February 24, 2001 we issued a fiscal note on this bill which indicated:

*Increase State Expenditures - \$25,000 One-Time*

*Other Fiscal Impact – Redirects revenues, estimated to exceed \$1,000,000 from the Highway Fund, to the Tennessee Wildlife Resources Agency*

Based on revised information requested from the Department of Revenue, the estimated fiscal impact of the bill is:

#### **Increase State Expenditures - \$25,000 One-Time**

#### **Other Fiscal Impact - Redirects revenues, estimated to be approximately \$486,000 to the Tennessee Wildlife Resources Agency from the following:**

- **Highway Fund \$296,600**
- **General Fund \$3,400**
- **Local Government \$186,000**

Estimate assumes the following:

- A one-time increase in state expenditures of \$25,000 for Department of Revenue MIS system modification costs.
- Approximately 2,701,329 gallons of fuel are purchased by boat users at marinas, of which 2,431,196 gallons (90%) is gasoline and 270,133 gallons (10%) is diesel fuel.
- The state tax rate is \$0.20 cents per gallon on gasoline.
- The revenue redirected from various sources to the Tennessee Wildlife Resources Agency is estimated to be approximately \$486,239 and is calculated as follows:
- Gasoline 2,431,196 gallons x .20 = \$486,239

For information purposes, gasoline tax revenues are currently allocated as follows: 0.7% General Fund, 46.5% State Highway Fund, 14.5% Sinking Fund, 12.7% City Fund, 25.5% County Fund and 0.1% to the Tennessee Wildlife Resources Agency.

#### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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